



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Ed Shikada  
Jeff Clet  
Larry D. Lisenbee

**SUBJECT:** SEE BELOW

**DATE:** May 17, 2004

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Approved

/s/

Date

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**SUBJECT: REVISIONS TO THE PUBLIC SAFETY CAPITAL PROGRAM IN THE  
2004-2005 PROPOSED CAPITAL BUDGET AND 2005-2009 CAPITAL  
IMPROVEMENT PROGRAM**

## EXECUTIVE SUMMARY

Modifications are recommended to the Proposed Public Safety 2004-2005 Capital Budget and 2005-2009 Capital Improvement Program (CIP) and to the current scope of work and the construction schedule for several fire station capital projects funded by Measure "O"—"The San Jose 911, Fire, Police, Paramedic and Neighborhood Security Act". The recommended changes presented are expected to improve overall fire emergency response effectiveness in the community while better utilizing the Bond funds to meet the longer-term needs of the Fire Department and the community. The major program changes would accomplish the following:

1. Improve fire, rescue and EMS emergency response performance on the Eastside by modifying the original scope of work as well as the project schedules for several Bond fire projects. These proposed revisions to the current bond strategy will create substantial operating budget savings in the long-term and will reduce the overall furniture, fixtures and equipment (FF & E) costs.
2. Allow the completion of the new fire stations without the further deferrals recommended in the 2004-2005 Proposed Capital Budget. Because existing staff would be temporarily redeployed to the new stations in the short-term (until 2007-2008), these proposed schedule adjustments would have a minimal impact on the operating and maintenance costs that were presented in the 2004-2005 Proposed Capital Budget. This approach helps stimulate the economy with design and construction projects, takes advantage of the current attractive bidding climate for construction projects, and reduces project inflation costs by accelerating construction.
3. Provide a funding plan to cover the furniture, fixtures and equipment costs for the new and remodeled fire stations. This plan includes using proceeds from the sale of former fire station sites as well as funding from the Construction and Conveyance Tax Fund.

These changes would result in additional one-time costs of \$9.3 million. A funding plan has been developed to cover these costs, primarily by allocating a portion of the Neighborhood Security Bond Fund Contingency Reserve, funding from the Fire Construction and Conveyance Tax Fund, and the proceeds from the sale of surplus fire stations.

## RECOMMENDATIONS

1. Approve the following revisions to the 2004-2005 Proposed Capital Budget for the Neighborhood Security Bond Fund to reflect the changes in project schedules and scopes as discussed in this memorandum:
  - a. Establish a project for the relocation of Fire Station No. 21 (White Road) in the amount of \$200,000.
  - b. Establish a project for the reconstruction of Fire Station 2 in the amount of \$500,000.
  - c. Increase the Fire Station No. 36 (Yerba Buena) project by \$353,000 from \$35,000 to \$388,000 to accelerate this project.
  - d. Establish a Fire Station No. 12 – Relocation (Cahalan) project in the amount of \$400,000 to accelerate this project.
  - e. Establish a Fire Station No. 34 (Berryessa) project in the amount of \$2,782,000 to accelerate this project.
  - f. Establish a Fire Station No. 35 (Cottle/Poughkeepsie) project in the amount of \$531,000 to accelerate this project.
  - g. Reduce the Fire Station Upgrades project by \$1,620,000 from \$4,366,000 to \$2,746,000.
  - h. Increase the Land Acquisition project by \$1,000,000 from \$3,220,000 to \$4,220,000.
  - i. Reduce the Contingency Reserve by \$2,814,300 from \$8,682,300 to \$5,868,000.
  - j. Reduce the Ending Fund Balance by \$1,331,700 from \$59,181,476 to \$57,849,776.
2. Approve the following revisions to the 2004-2005 Proposed Capital Budget for the Fire Construction and Conveyance Tax Fund to reflect the changes in project schedules and scopes as discussed in this memorandum.
  - a. Increase the estimate for Earned Revenue by \$450,000 to reflect the proceeds from the sale of former fire stations.
  - b. Establish a project for the relocation of Fire Station No. 21 (White Road) in the amount of \$250,000.
  - c. Establish a project for the reconstruction of Fire Station 2 in the amount of \$200,000.
  - d. Reduce the Ranch as Silver Creek Reserve (Developer Contribution) by \$195,000 from \$195,000 to 0.
  - e. Establish a Fire Station 36 (24) Yerba Buena project in the amount of \$195,000.
3. Approve revisions to the remaining years of the 2005-2009 Public Safety Capital Improvement Program as described below and included in the revised Source and Use Statement (Attachment A).

## **BACKGROUND**

Measure “O” was approved by the voters in March 2002 and authorized the City to issue up to \$159 million in General Obligation Bonds for the construction and renovation of public safety facilities. The Public Safety Bond Program contemplated the addition of four new fire stations, the relocation of four fire stations, and renovations to 20 fire stations.

These improvements are underway at a time when the City is facing significant financial challenges. At the direction of the City Council, the completion dates for the new fire stations were deferred as part of the 2003-2004 Adopted Budget, and two fire stations (Fire Station 34 – Berryessa and Fire Station 35 – Cottle/Poughkeepsie) are recommended for further deferral in the 2004-2005 Proposed Budget to reduce the operating and maintenance impacts on the General Fund. The completion date for the new developer-funded Fire Station 33 on Communications Hill was also deferred in the 2003-2004 Adopted Budget and is currently recommended to be deferred by an additional year in the 2004-2005 Proposed Budget.

Given the limited General Fund resources to operate new fire stations and the need to allocate Public Safety bond funds in a manner that will allow the most effective delivery of emergency services, the Fire Department has analyzed the Public Safety Bond projects and has developed an alternative strategy on the timing, scope and complement of projects. The key components of this strategy are:

- Improve fire, rescue and EMS emergency response performance on the Eastside by modifying the original scope of work for several Public Safety Bond-funded fire projects, as well as modifying the project schedules. The original Public Safety Bond-funded program called for the remodeling of Fire Stations 2 on Alum Rock Avenue, Station 21 on Mt. Pleasant Road and Station 24 on Aborn Road and construction of a new Fire Station 36 in the Yerba Buena/Silver Creek area. The revised strategy would rebuild Station 2, relocate Station 21, and consolidate the existing Station 24 and the planned new Station 36 into one station in a new location. To illustrate these changes, a map of the proposed fire station coverage for the Eastside of San José is included as Attachment B.
- Allow the completion of the new fire stations without the further deferrals recommended in the 2004-2005 Proposed Capital Budget. Existing staff would be temporarily redeployed to these stations in the short-term; therefore, these recommended schedule adjustments would have a minimal impact on the operating and maintenance costs that were presented in the 2004-2005 Proposed Budget.
- Provide a funding plan to cover the furniture, fixtures and equipment costs for the new fire stations. This plan includes using proceeds from the sale of the surplus fire stations.

The proposals in this Manager’s Budget Addendum (MBA) have been developed in the context of the Fire Department Strategic Plan presented to Council in December 2000 and the Fire Master Plan presented to the Council in October 2001. An overview of the Master Plan is provided as Attachment C to this memorandum and includes a brief discussion of the Fire Department Master Plan priorities and the emergency response service goals that are the foundation for Fire Department Capital project strategies.

## **ANALYSIS**

The proposed program changes are directed toward improving emergency response performance in the community and toward improving the functionality of the fire stations in the most cost-effective manner. This comprehensive program has many inter-related elements that when taken together can accomplish the identified program improvements as outlined in this memorandum. Following is a discussion of the three major components of this proposal.

### **Eastside Service Delivery Model**

Currently, Fire Stations 2, 21, and 24 are three of the fire stations providing service to the Eastside of San José. As part of the Public Safety Bond-funded program, each of these stations was scheduled to be remodeled and a new Fire Station 36 (Silver Creek/Yerba Buena) was funded to address the substantial growth in that area. While the station remodels would improve the overall condition of the existing fire stations, they would not improve emergency response service delivery and would not fully address the needed functionality and essential facility requirements.

Fire Station 21 is a small single-family residence style fire station that is poorly located and does not provide optimal emergency response performance in the entire service area. Fire Station 24 is an old and undersized station with insufficient property to expand the station footprint. The station is also not well located for optimal emergency response performance in the entire service area. In addition, the minimal remodeling plan for Fire Station 2 is inadequate and would leave an old and undersized facility.

The Fire Department has reevaluated these projects and has developed an alternative proposal that would relocate Fire Station 21, completely rebuild Fire Station 2, and consolidate the existing Station 24 and the planned new Station 36 into one station in a new location. This program would provide a more efficient distribution of the stations and would improve the overall fire and EMS emergency response service delivery in the service area of these stations. In addition, Fire Station 2, the busiest station in the City, can be upgraded to essential facility standards and Fire Department functionality requirements. The larger new facilities will provide more flexibility in the location of specialized companies such as Brush Patrols and Rescue/Ambulances, storage of reserve apparatus, as well as flexibility to relocate Battalion Chiefs.

Following is additional detail on each of the changes proposed:

1. **Relocate Fire Station 21:** This station would be relocated at a preferred location in the vicinity of White Road and Cunningham in lieu of remodeling the existing Station 21 as currently programmed. Under this proposed plan, the new station would be completed in December 2007. The station would be built to accommodate one fire company and a Battalion Chief and would have three apparatus bays. This would allow for the relocation of the Battalion Chief from the current Station 2 to a more centralized station, which would be beneficial for emergency response effectiveness.

Because this action relocates an existing station and company, there are no significant operating and maintenance costs associated with this change. However, there are additional one-time costs of \$3.5 million because the relocation and construction of this station is higher than the amount originally budgeted to remodel this facility. A funding strategy has been developed to address these additional costs as outlined in the Cost Implications Section of this memorandum and the Source and Use Statement.

2. Build a new Fire Station 36: The new station, which will be located in the Yerba Buena area, is expected to be completed in July 2008 and would consolidate existing Station 24 into this new location in lieu of remodeling Station 24. The station would be built to accommodate two fire companies and would have three apparatus bays.

An analysis of emergency response performance in this area indicates some overlap of service between Station 24 and Station 31 and that overall service in these areas can be improved in a cost effective manner by consolidating Station 24 with new Station 36. The existing Station 24 requires extensive remodeling for functionality, which is not cost effective given the station condition and the poor location.

3. Build a new Fire Station 2: Station 2 would be completely rebuilt at the current site on Alum Rock Avenue in lieu of remodeling the existing station. Under this proposal, the fire station would be completed in March 2008 and would be built to accommodate two fire companies with three apparatus bays. The Battalion Chief who is currently located at Station 2 would be relocated to the new Station 21. The construction schedule for this station is programmed after new Station 34 is completed so that one of the Station 2 companies can be temporarily relocated to Station 34 when Station 2 construction begins.

Station 2 is the busiest fire station in the City. It was originally constructed by the County in 1948 and was expanded in 1981 after the City took over operations and relocated a truck company to this station. The station is now quite outdated and the quarters are very small for a two company station. Additionally, the facility does not include much of the functionality required, such as appropriate gender privacy accommodations, sufficient office space, exercise facilities and a training/community room.

Because this action rebuilds an existing station, there are no significant operating and maintenance costs associated with this change. However, the cost to rebuild this station (\$3.8 million) is higher than the \$780,000 currently allocated to remodel the station. A funding strategy has been developed to address these additional costs as outlined in the Cost Implications Section of this memorandum.

### **Proposed Adjustments to Fire Station Schedules**

In response to City Council direction to defer capital projects with significant General Fund operating and maintenance costs over the next three years, the 2004-2005 Proposed Capital Budget included recommendations to defer the completion of three fire stations and the relocation of one fire station. An alternative plan has since been completed that would allow the fire stations to be built without these deferrals. Because existing staff would be redeployed to the new stations on a temporary basis (until 2007-2008), these recommended schedule adjustments would have only a minimal impact on the operating and maintenance costs that were presented in the 2004-2005 Proposed Capital Budget.

In addition to Fire Station 36, new Stations 34 and 35 are the highest priority areas for emergency response service improvements as discussed in the Fire Master Plan. The changes recommended in this MBA will provide emergency response service improvements in these areas in a more timely and effective manner.

Following is a brief description of each of the fire stations impacted by this recommendation:

1. Developer-funded Station 33 on Communications Hill: This station is proposed to remain on the same completion schedule displayed in the Adopted 2003-2004 Capital Budget rather than deferred by an additional year as shown in the 2004-2005 Proposed Capital Budget. The new station, which is being built by the developer, is expected to be completed in July 2006, at the same time as the final residential units on Communications Hill are scheduled for completion.

To meet the objectives of minimizing operating and maintenance costs over the next three years, no significant new operating costs will be incurred until 2007-2008 when a new engine company is proposed. The Fire Department would temporarily re-deploy resources for approximately one year to staff this station from July 2006 until July 2007.

2. Fire Station 34 (Las Plumas): Under this proposal, the station would be completed in September 2006 rather than deferred to June 2007 as shown in the 2004-2005 Proposed Budget. The station would be built to accommodate two fire companies and would have three apparatus bays. There would be no significant new operating costs until 2007-2008, when a new Engine Company would be added. The Fire Department proposes the temporary relocation of Truck 2 to Station 34 to operate as the first-due apparatus from September 2006 until July 2007. This would allow the redeployment of this truck company while Station 2 is being remodeled.
3. Fire Station 35 at Cottle Road and Poughkeepsie: Under this proposal, the station would be completed in July 2007 rather than June 2008 as shown in the 2004-2005 Proposed Budget. The station would be built to accommodate two fire companies and a Battalion Chief and would have three apparatus bays. No significant new operating costs would be incurred until December 2007 when a new Engine Company is proposed. Truck 18 would be permanently relocated to Station 35 from its current location at Station 18. This Truck company would

temporarily serve as the first due company from June 2007 to when a fire engine is planned for this station in December 2007.

This station will be co-located on the same site as the Southside Community Center and acceleration of this fire station project will better coordinate with the current Community Center construction project.

4. **Relocation of Station 12:** This station would be relocated from its current location at Snell Avenue and Calero Avenue to a new location, west of its current location, in the Cahalan Avenue area. Under this proposal, the station would be completed in August 2007, after new Station 35 at Poughkeepsie is opened so there is no service gap created by the relocation. In the 2004-2005 Proposed Budget, the completion date for this relocation was deferred to May 2008 to keep in alignment with the proposed schedule for the new Station 35. There are no increased operating costs for this project because it would only involve a relocation of existing resources.

Following is a table that summarizes the schedule changes proposed in this MBA.

#### Summary of Schedule Changes to Reflect the Above Actions

<b>Projects</b>	<b>2003-2007 Original Completion Date</b>	<b>2004-2008 Adopted Completion Date</b>	<b>2005-2009 Proposed Completion Date</b>	<b>MBA Proposed Completion Date</b>
<b>Fire Station 33 *</b> (Communications Hill)	07/04	07/06	07/07	7/06
<b>Fire Station 34</b> (Berryessa/Las Plumas)	06/05	06/06	06/07	9/06
<b>Fire Station 35</b> (Cottle/Poughkeepsie)	06/06	06/07	06/08	7/07
<b>Fire Station 12</b> Relocation from Snell to Cahalan area	12/05	06/07	05/08	8/07
<b>Fire Station 21</b> Proposed relocation from Mt. Pleasant to White Rd. area	N/A	N/A	N/A	12/07
<b>Fire Station 2</b> Proposed construction of new Station in-lieu of remodel	N/A	N/A	N/A	3/08
<b>Fire Station 36</b> Yerba Buena area - Proposed relocation of current Fire Station 24 on Aborn Rd.	2007	2008	6/08	7/08

\* This is a developer-funded station

### **Furniture, Fixtures and Equipment**

As part of developing a comprehensive plan on delivering the fire station capital projects, an analysis of the furniture, fixtures and equipment needs was completed and a strategy to address these needs has been developed. A total of \$2.8 million is required to cover the estimated furniture, fixtures, equipment and apparatus costs for the new and relocated fire stations over the next few years. The proposed funding sources include proceeds from the sale of surplus fire stations and funding from the Fire Construction and Conveyance Tax Fund.

### **COST IMPLICATIONS**

The plan proposed in this MBA results in net additional one-time capital costs of \$9.3 million. A funding strategy has been developed to address the additional costs generated from the recommendations contained in this memo.

A portion of the additional costs would be offset by the proceeds from sale of seven fire stations that will be surplus when this program is implemented and the fire station relocations are completed. The surplus stations will be 12, 17, 21, 23, 24, 25 and old station 27. These sales are expected to generate \$3.5 million.

The remaining costs would be covered by allocating \$3.4 million (\$2,814,300 in 2004-2005 and \$585,700 in 2005-2006) from the Neighborhood Security Bond Fund Contingency Reserve for these projects, \$550,000 from the Construction and Conveyance Tax Fund Facilities Reserve, \$195,000 from a Developer Contribution for Fire Station 36, savings in the project costs for Station 36, and reallocating the funds that were going to be used to remodel Station 24. A summary of the additional costs and the strategy to address these costs is provided below.

<b>Funding Strategy for Proposed Actions</b>	
<b>Source of Funds</b>	
Sale of Surplus Fire Station Properties	3,500,000
Fire Construction and Conveyance Tax Fund Facilities Reserve	550,000
Neighborhood Security Bond Fund Contingency Reserve	3,400,000
Ranch at Silver Creek Developer Contribution	195,000
Fire Station 36 (24) Reduced Construction Costs	364,000
Savings from the Fire Station 24 Remodel	1,319,000
<b>Total Source of Funds</b>	<b>9,328,000</b>
<b>Use of Funds</b>	
Rebuild Fire Station 2	3,040,000
Relocate Fire Station 21	3,447,000
Furniture, Fixtures, Equipment and Apparatus for Fire Stations	2,841,000
<b>Total Use of Funds</b>	<b>9,328,000</b>



### **Operating and Maintenance Costs**

The series of actions recommended in this MBA would allow the completion of the new fire stations without the further deferrals recommended in the 2004-2005 Proposed Capital Budget. Because existing staff would be temporarily redeployed to the new stations in the short-term (until 2007-2008), these recommended schedule adjustments would have only a minimal impact on the operating and maintenance costs that were presented in the 2004-2005 Proposed Capital Budget.

The proposed revisions to the current bond strategy would, however, create substantial operating budget savings in the long-term when compared with the plan presented in the 2004-2005 Proposed Capital Budget (see Attachment D). By consolidating Fire Stations 24 and 36, there would be one less new fire station to staff, resulting in annual savings of over \$2 million. This consolidation also results in FF & E savings of approximately \$741,000.

### **COORDINATION**

This memorandum was coordinated with the Public Works Department.

/s/  
ED SHIKADA  
Deputy City Manager

/s/  
JEFFREY L. CLET  
Fire Chief

/s/  
LARRY D. LISENBEE  
Budget Director

#### **Attachments:**

- (A) Revised Source and Use Statement
- (B) Map of Proposed Changes
- (C) Overview of the Fire Master Plan
- (D) Summary of Impacts on Operating and Maintenance Costs and FF & E

Public Safety Capital Program  
2005-2009 Proposed Capital Improvement Program  
Source of Funds

	Estimated 2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	5-Year Total
<b><u>SOURCE OF FUNDS</u></b>							
<b><u>General Fund</u></b>							
<b>Contributions, Loans and Transfers from:</b>							
<b><u>General Fund</u></b>							
- Engine 31/Rescue Units	555,000						
- Fire Apparatus Bond Payments	720,000	563,000	716,000	274,000			1,553,000
- Fire Apparatus Replacement & Repair	2,511,000		941,000	941,000	941,000	941,000	3,764,000
- Fire Stations Air Conditioning	62,000						
- Reserve Apparatus Tools/Equipment	336,000						
- Training Truck/Engines	350,000						
<b>Total General Fund</b>	<b>4,534,000</b>	<b>563,000</b>	<b>1,657,000</b>	<b>1,215,000</b>	<b>941,000</b>	<b>941,000</b>	<b>5,317,000</b>

\* The 2005-2006 through 2008-2009 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

Public Safety Capital Program  
2005-2009 Proposed Capital Improvement Program  
Source of Funds

<b>SOURCE OF FUNDS (CONT'D.)</b>	<b>Estimated 2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	<b>Total</b>
<b><u>Fire Construction &amp; Conveyance Tax Fund</u></b>							
<b>Beginning Fund Balance</b>	2,635,590	2,063,202	268,202	131,202	93,202	54,202	2,063,202 *
<b>Taxes, Fees &amp; Charges:</b>							
<b><u>Construction and Conveyance Tax</u></b>	2,016,000	1,512,000	1,344,000	1,344,000	1,344,000	1,344,000	6,888,000
<b>Miscellaneous Revenue</b>							
– Sale of 7 Former Fire Stations		450,000		1,300,000	1,250,000	500,000	3,500,000
<b>Developer Contributions</b>							
– Communications Hill Developer Contributions			500,000				500,000
– Ranch at Silver Creek - Developer Contribution	195,000						
<b>Reserve for Encumbrances</b>	516,512						
<b>Total Fire Construction &amp; Conveyance Tax Fund</b>	<b>5,363,102</b>	<b>4,025,202</b>	<b>2,112,202</b>	<b>2,775,202</b>	<b>2,687,202</b>	<b>1,898,202</b>	<b>12,951,202 *</b>
<b><u>Neighborhood Security Bond Fund</u></b>							
<b>Beginning Fund Balance</b>	37,985,743	22,511,776	57,849,776	11,062,476	4,787,476	341,476	22,511,776 *
<b>Sale of Bonds</b>		78,750,000	39,375,000				118,125,000
<b>Interest Income</b>	700,000	200,000					200,000
<b>Reserve for Encumbrances</b>	484,033						
<b>Total Neighborhood Security Bond Fund</b>	<b>39,169,776</b>	<b>101,461,776</b>	<b>97,224,776</b>	<b>11,062,476</b>	<b>4,787,476</b>	<b>341,476</b>	<b>140,836,776 *</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>49,066,878</b>	<b>106,049,978</b>	<b>100,993,978</b>	<b>15,052,678</b>	<b>8,415,678</b>	<b>3,180,678</b>	<b>159,104,978 *</b>

\* The 2005-2006 through 2008-2009 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

Public Safety Capital Program  
 2005-2009 Proposed Capital Improvement Program  
 Use of Funds

		Estimated 2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	5-Year Total
<b>USE OF FUNDS</b>								
<b><u>Construction Projects</u></b>								
<b>Neighborhood Security Bond Fund Projects</b>								
1.	9-1-1 Communications Dispatch Center		405,000	1,532,000				1,937,000
2.	Driver Safety Training Center	277,000	685,000	6,630,000	176,000			7,491,000
3.	East Community Policing Center		1,722,000	8,000				1,730,000
4.	Fire Station 12 - Relocation (Calero)	2,000	400,000	1,599,000	143,000	19,000		2,161,000
5.	Fire Station 17 - Relocation (Cambrian)	78,000	1,741,000	311,000	60,000			2,112,000
6.	Fire Station 2 - Rebuild		700,000	2,937,000	183,000			3,820,000
7.	Fire Station 21 - Relocation (White Road)		450,000	2,300,000	141,000	19,000		2,910,000
8.	Fire Station 23 - Relocation (North East SJ)	67,000	260,000	1,656,000	197,000	10,000		2,123,000
9.	Fire Station 25 - Relocation (Alviso)	90,000	1,740,000	325,000	41,000			2,106,000
10.	Fire Station 34 Berryessa	424,000	2,782,000	218,000	97,000			3,097,000
11.	Fire Station 35 Cottle/Poughkeepsie		531,000	2,914,000	274,000	20,000		3,739,000
12.	Fire Station 36 Silver Creek/Yerba Buena	35,000	583,000	2,401,000	299,000	22,000		3,305,000
13.	Fire Station 37 Willow Glen		22,000	22,000	224,000	1,527,000	141,000	1,936,000
14.	Fire Station Upgrades	3,927,000	2,746,000	672,000	18,000			3,436,000
15.	Fire Training Center	199,000	4,621,000	14,451,000	544,000	302,000		19,918,000
16.	Land Acquisition - Fire Station	1,063,000	4,220,000					4,220,000
17.	North/Central Community Policing Center	279,000		293,000	1,171,000	41,000		1,505,000

Public Safety Capital Program  
2005-2009 Proposed Capital Improvement Program  
Use of Funds

<b>USE OF FUNDS (CONT'D.)</b>	<b>Estimated 2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	<b>5-Year Total</b>
<b><u>Construction Projects</u></b>							
<b>Neighborhood Security Bond Fund Projects</b>							
18. Public Art		2,242,000	41,000				2,283,000
19. South San José Community Policing Center		1,719,000	11,000				1,730,000
20. South San José Substation	8,391,000	8,592,000	43,986,000	2,108,000	2,259,000		56,945,000
21. West San José Community Policing Center	49,000	1,567,000	61,000				1,628,000
<b>Total Neighborhood Security Bond Fund Projects</b>	<b>14,881,000</b>	<b>37,728,000</b>	<b>82,368,000</b>	<b>5,676,000</b>	<b>4,219,000</b>	<b>141,000</b>	<b>130,132,000</b>
<b>Other Construction Projects</b>							
Communications Control Room Remodel	12,000						
Communications Hill Fire Station Apparatus			500,000				500,000
Company Stores Van	50,000						
Decontamination Sinks	55,000						
Diesel Exhaust System Modification	12,000						
Emergency Equipment for Communications Center	20,000						
Engine 31/Rescue Units	555,000						
Fire Company Store Remodel	100,000						
Fire Station 1 Closeout	21,000						
Fire Station Air Conditioning	62,000						
Inventory Control System	65,000						
Mechanical Sirens	100,000						
Misc. Equipment	1,900						
Oxygen Bottle Fill Station	85,000						

Public Safety Capital Program  
 2005-2009 Proposed Capital Improvement Program  
 Use of Funds

<b>USE OF FUNDS (CONT'D.)</b>		<b>Estimated 2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	<b>5-Year Total</b>
<b><u>Construction Projects</u></b>								
<b>Other Construction Projects</b>								
Portable Radio Repeaters		34,000						
Reserve Apparatus		336,000						
Tools/Equipment								
SCBA Technician Svc Vehicle		159,000						
Telecommunications Upgrade		12,000						
Training Center Master Plan		6,000						
Training Trucks/Engines		350,000						
Vehicle Replacement		90,000						
22.	Backflow Devices	109,000	20,000	10,000				30,000
23.	Computer Replacement Program	75,000	75,000	75,000	75,000	75,000	75,000	375,000
24.	Emergency Response Maps	61,000	25,000	25,000	25,000	25,000	25,000	125,000
25.	Facilities Improvements	559,000	375,000	375,000	375,000	375,000	375,000	1,875,000
26.	Fire Station Privacy	166,000	250,000					250,000
27.	Hand Held Radios	72,000	45,000	10,000	10,000	10,000	10,000	85,000
28.	Heavy Rescue Airbags	20,000	12,000	12,000	12,000	12,000	12,000	60,000
29.	Hose Replacement	56,000	40,000	40,000	40,000	40,000	40,000	200,000
30.	Muster Team Apparatus Repairs	10,000	10,000	10,000	10,000	10,000	10,000	50,000
31.	Oxygen As a Medical Gas		116,000					116,000
32.	Self-Contained Breathing Apparatus (SCBA) Equipment	61,000	60,000	60,000	60,000	60,000	60,000	300,000
33.	Telecommunications Equipment	25,000	25,000	25,000	25,000	25,000	25,000	125,000
34.	Tools and Equipment	367,000	150,000	150,000	150,000	150,000	150,000	750,000
35.	Traffic Control Equipment	259,000	100,000	100,000	100,000	100,000	100,000	500,000

Public Safety Capital Program  
2005-2009 Proposed Capital Improvement Program  
Use of Funds

<b>USE OF FUNDS (CONT'D.)</b>	<b>Estimated 2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	<b>5-Year Total</b>
<b><u>Construction Projects</u></b>							
<b>Other Construction Projects</b>							
36. Underground Fuel Tank Renovation/Replacement	25,000	16,000	16,000	16,000	16,000	16,000	80,000
<b>Total Other Construction Projects</b>	<b>3,990,900</b>	<b>1,319,000</b>	<b>1,408,000</b>	<b>898,000</b>	<b>898,000</b>	<b>898,000</b>	<b>5,421,000</b>
<b>Total Construction Projects</b>	<b>18,871,900</b>	<b>39,047,000</b>	<b>83,776,000</b>	<b>6,574,000</b>	<b>5,117,000</b>	<b>1,039,000</b>	<b>135,553,000</b>
<b><u>Non-Construction</u></b>							
<b>General Non-Construction</b>							
Budget Office Capital Pgm Staff	76,000	80,000	84,000	89,000	69,000	63,000	385,000
CIP Action Team	150,000	160,000	172,000	152,000	110,000	50,000	644,000
Civic Center Rescue Air Fill System	193,000						
Civic Center Start-up Costs		4,000					4,000
Communication Hill Fire Station (Developer Contribution)	10,000						
Green Building	42,000						
Information Technology Staff	92,000	69,000	45,000	47,000	49,000	51,000	261,000
Infrastructure Management System	54,000	47,000	49,000	51,000	54,000	57,000	258,000
37. Capital Project Management	100,000	100,000	50,000	50,000	50,000	50,000	300,000
38. Emergency Response Data Analysis	25,000	25,000	25,000	25,000	25,000	25,000	125,000
39. Fire Apparatus Bond Payments	820,000	663,000	716,000	274,000			1,653,000
40. Fire Apparatus Replacement & Repair	2,511,000	941,000	941,000	941,000	941,000	941,000	4,705,000

Public Safety Capital Program  
2005-2009 Proposed Capital Improvement Program  
Use of Funds

<b>USE OF FUNDS (CONT'D.)</b>	<b>Estimated 2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	<b>5-Year Total</b>
<b><u>Non-Construction</u></b>							
<b>General Non-Construction</b>							
41. Fire Data System Maintenance		50,000	25,000	25,000	25,000	25,000	150,000
42. Program Management - Public Safety Bond Projects	401,000	411,000	430,000	451,000	200,000	100,000	1,592,000
43. Records Management System	50,000	50,000	50,000	50,000	50,000	50,000	250,000
44. Training Center Shower Facility Lease Payments	15,000	5,000					5,000
45. Turnout Cleaning		212,000					212,000
<b>Total General Non-Construction</b>	<b>4,539,000</b>	<b>2,817,000</b>	<b>2,587,000</b>	<b>2,155,000</b>	<b>1,573,000</b>	<b>1,412,000</b>	<b>10,544,000</b>
<b>Contributions, Loans and Transfers to Capital Funds</b>							
Transfer to Communications C&C Fund: Dispatch Channel Expansion	6,000		10,000				10,000
<b>Total Contributions, Loans and Transfers to Capital Funds</b>	<b>6,000</b>		<b>10,000</b>				<b>10,000</b>
<b>Contributions, Loans and Transfers to Special Funds</b>							
Transfer to Housing for Station 34 Land & Training Site	1,075,000						
<b>Total Contributions, Loans and Transfers to Special Funds</b>	<b>1,075,000</b>						
<b>Reserves</b>							
Civic Center Occupancy Reserve			107,000	223,000	68,000	10,000	408,000
46. Contingency Reserve		5,868,000	3,120,300	370,000	171,000		9,529,300



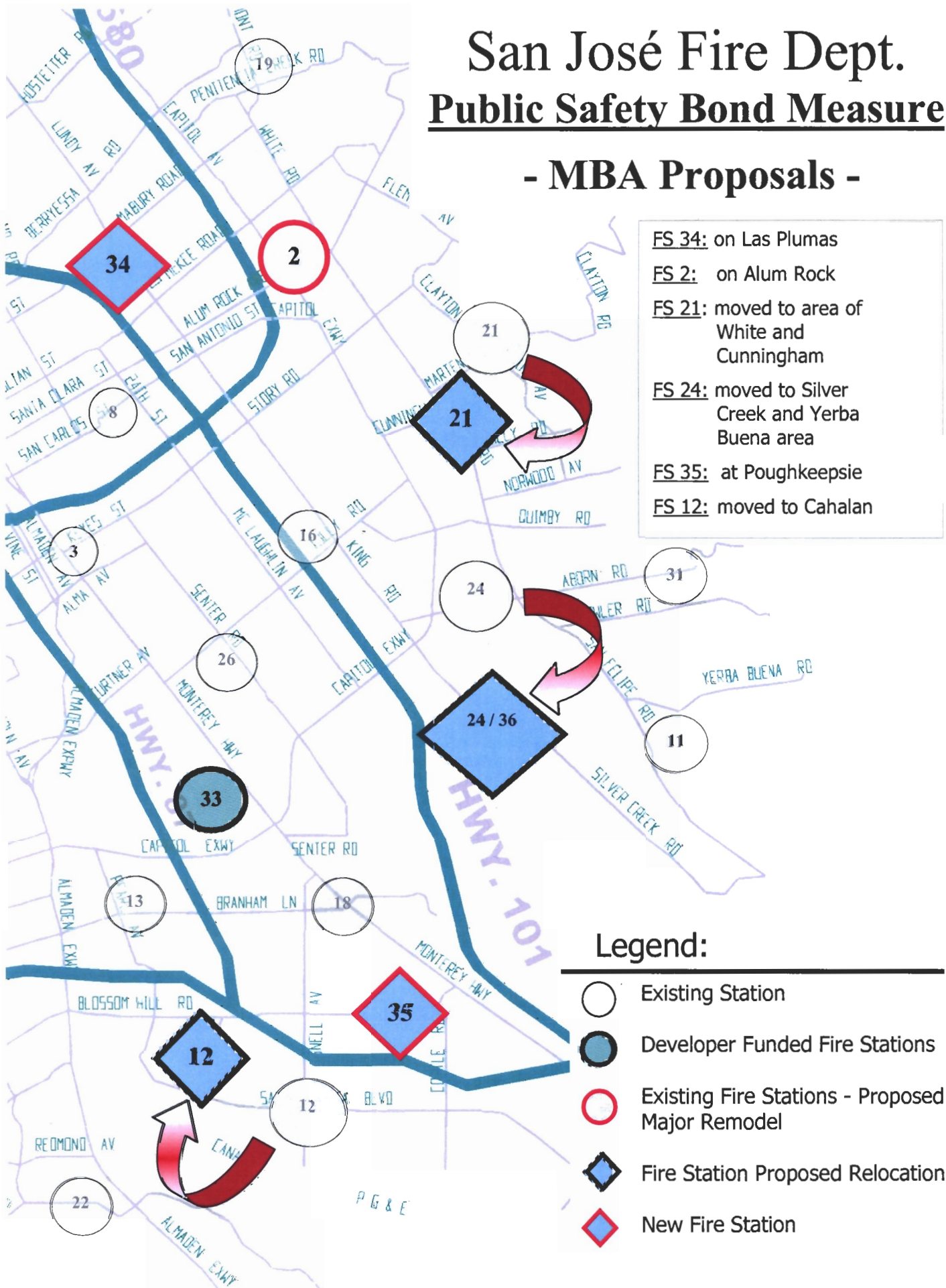
Public Safety Capital Program  
2005-2009 Proposed Capital Improvement Program  
Use of Funds

<b>USE OF FUNDS (CONT'D.)</b>	<b>Estimated 2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>	<b>5-Year Total</b>
<b><u>Non-Construction</u></b>							
<b>Reserves</b>							
47. Ranch at Silver Creek Reserve (Developer Contribution)							
48. Reserve for Facilities Improvements		200,000	200,000	850,000	1,091,000	500,000	2,841,000
<b>Total Reserves</b>		<b>6,068,000</b>	<b>3,427,300</b>	<b>1,443,000</b>	<b>1,330,000</b>	<b>510,000</b>	<b>12,778,300</b>
<b>Total Non-Construction</b>	<b>5,620,000</b>	<b>8,885,000</b>	<b>6,024,300</b>	<b>3,598,000</b>	<b>2,903,000</b>	<b>1,922,000</b>	<b>23,332,300</b>
<b>Ending Fund Balance</b>	24,574,978	58,117,978	11,193,678	4,880,678	395,678	219,678	219,678*
<b>TOTAL USE OF FUNDS</b>	<b>49,066,878</b>	<b>106,049,978</b>	<b>100,993,978</b>	<b>15,052,678</b>	<b>8,415,678</b>	<b>3,180,678</b>	<b>159,104,978*</b>

\* The 2004-2005 through 2007-2008 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of same funds.

# San José Fire Dept. Public Safety Bond Measure

## - MBA Proposals -



## **Overview of the Fire Department Master Plan**

### ***Fire Department Planning Studies***

In late 2000 the Fire Department completed and presented to Council a comprehensive “*Strategic Plan for Fire Protection, Rescue and Emergency Medical Services*”. In October of 2001 the Department presented to Council an Executive Summary of Master Planning Strategies which combined the Strategic Plan and other planning studies into an overall series of recommended strategies to improve effectiveness and service delivery to the community.

The Master Plan report was developed to assist the Council in planning for Capital and Operating expenses over the next five years. The Report presents a five-year plan to address key issues in the Fire Department. The Council recommended a Public Safety Bond to provide the funding for Fire and Police capital improvements, which was approved by the voters in March 2002.

For the purpose of organizing all of the comprehensive study information into one overview report, the study strategies and recommendations were consolidated into four *Strategic Objectives*. The Strategic Objectives supported the Public Safety CSA Outcomes and the City’s Corporate Priorities.

### ***Fire Department Strategic Objectives***

1. Maximize the Number of Neighborhoods In Which SJFD Meets the Emergency Response Performance Standards
2. Improve On-Scene Effectiveness and Maximize Employee Safety.
3. Improve Organizational Effectiveness and Implement Performance Measurement Systems.
4. Minimize the Number of Emergency Incidents and Support Community Safety Efforts.

To implement the four Strategic Objectives, the Department identified a number of priority actions, several of which were directed toward improving the identified service gaps in fire, rescue and EMS emergency response. For this MBA, we focus on objective #1: Maximize Number of Neighborhoods Meeting Performing Objectives. The actions identified to achieve this objective are listed below.

### ***Recommendations From the Planning Studies***

1. Study potential sites in the south and north areas of the City where training facilities and a training tower could be installed to minimize out-of-area and “unavailability” time for units.
2. Finalize Communications Hill station design with response performance standards in mind and proceed with construction by developer through the City/Developer agreement.

3. Improve emergency response coverage in the Berryessa area by adding a new fire station.
4. Build a new station to serve the high growth Evergreen area (Yerba Buena/Silver Creek area).
5. Develop a new station in the Cottle/Poughkeepsie area to improve performance and meet the increasing demands for service.
6. Evaluate new deployment strategies as a cost effective method for improved emergency response performance when companies are out of their service area for training. As a secondary alternative, evaluate the use of 40-hour companies to back-fill for the in-training company.
7. Strategically relocate stations to place resources where they can better meet performance standards. Several “temporary” residential style and outdated stations are candidates for relocation to improve overall performance and to bring the facilities up to essential facility and functionality standards.

### ***Fire Department Service Goals***

Determination of fire station locations for new or relocated stations requires an analysis of many types of data. Station location modeling programs consider such issues as risk analysis, call volume, concurrent calls, types of calls and fire company availability and reliability. With that said, the foundation for fire station locations in a metropolitan city is based on the distribution and concentration of resources, designed in a way to meet the needs for specific community demographics.

Distribution of resources (stations and fire companies) is the way emergency response units are allocated throughout a community in order to meet service performance targets for first-due response. The best measure of effective distribution is travel time, measured as the time from when a fire company leaves a station until arrival at the emergency scene. The San José Fire Strategic Plan study determined that the first-due response performance target for travel time is to arrive at the scene within four minutes travel, 80% of the time or better.

The Strategic Plan study determined that a number of areas in San José did not achieve this travel-time performance target. As a result, a number of improvements were recommended and several of those are included in the Neighborhood Security Act Bond Program in the form of new and relocated fire stations.

When reviewing the response performance for the central Eastside of San José, most of the stations achieve the four-minute travel time target between 60% and 72% of the time, well below the target of 80%. New Station 34 and the relocations of Stations 21 and 24 are projected to improve this performance significantly, based on current demand for service. Based on modeling projections, we estimate that the relocations of Stations 21 and 24 will result in about 200 core emergency calls moving above the 80% performance target. (core emergency calls are structure fires, rescue calls and high priority level EMS calls).

### Net Operating Budget Impact Summary

	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>
New Fire Stations O & M with Revised Strategy	\$ -	\$ -	\$ 1,077,000	\$ 6,005,000	\$ 7,314,000
New Fire Stations O & M w/o Revised Strategy	\$ -	\$ -	\$ 1,016,000	\$ 5,868,000	\$ 9,521,000
<b>Net Operating Budget Savings with New Bond Strategy</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (61,000)</b>	<b>\$ (137,000)</b>	<b>\$ 2,207,000</b>

### Fixtures, Furniture, and Equipment Needs Summary for Fire Stations

	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>Total</u>
Fire Stations FF & E with Revised Strategy		\$ 70,000	\$ 1,706,000	\$ 198,000	\$ 867,000	\$ 2,841,000
Fire Stations FF & E w/o Revised Strategy		\$ -	\$ 947,000	\$ 1,768,000	\$ 867,000	\$ 3,582,000
Net FF & E Budget Savings with New Bond Strategy		\$ (70,000)	\$ (759,000)	\$ 1,570,000	\$ -	\$ 741,000

<b>FUNDING AVAILABLE FOR FF &amp; E:</b>	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>Total</u>
Reserve for Facilities Improvements	\$ 200,000	\$ 200,000	\$ 850,000	\$ 1,091,000	\$ 500,000	\$ 2,841,000

**NOTE:** Given the timing of the sale of fire stations, the funding available for FF & E is insufficient to address the needs in 2006-2007. The use of excess Construction and Conveyance Tax revenues will be pursued as a potential interim funding source.